

SECTION FOUR - INVOICING INSTRUCTIONS (CONT'D.)

- 20) When goods are shipped via Parcel Post or UPS, and it is AGREED that such charges will be invoiced back to K mart, the transportation charges must be identified as such and listed separately on the invoice.
- 21) Net amount due vendor (indicate all promotional discounts which apply).
- 22) If transportation terms are "freight collect;" and your company desires to deliver to stores with its own trucks, or via a contract carrier, any transportation charges and billing procedures must be negotiated with the Senior Buyer's Office and confirmed by you with the Transportation Department. **DO NOT ISSUE SEPARATE INVOICES FOR SUCH FREIGHT CHARGES AS THEY WILL BE REFUSED:**
- 23) When a shipment to a store consists of goods for more than one invoice, each invoice number in the shipment must be cross-referenced on the face of the other invoices. The Purchase Order Number to which each shipment applies must be shown on each of the multiple invoices.
- 24) If you wish to assign your invoices to a factor, or to change factors, writing this information on your invoices **DOES NOT GIVE ADEQUATE NOTICE OF THE ASSIGNMENT TO K MART.** You must send written notice of the Assignment to Factored Accounts Department, K mart Corporation, 3100 West Big Beaver Road, Troy, Michigan 48064.

B. After invoices have been prepared:

- 1) Send original invoices only (do not put in merchandise cartons) to receiving store address including zip code (as shown in Section One of this book) on the same day that merchandise is shipped.
 - a. Exception - Puerto Rico stores: **SHIPPER MUST MAIL ONE COPY OF INVOICE TO NU-PAK, P.O. BOX 2128, NEWNAN, GEORGIA 30264 AND MUST MAIL THE ORIGINAL INVOICE PLUS ONE COPY MARKED "DUPLICATE" DIRECTLY TO THE PUERTO RICO STORE VIA AIR MAIL.**
- 2) Original signed Bill of Lading or signed delivery receipt (covering invoice) must be held by shipper pending possible request by K mart to prove delivery of a questioned shipment. These documents must be retained for at least two years. Failure to timely provide these documents upon K mart's request will result in loss or damage claims being charged to your account because K mart cannot recover from the carrier without producing these documents on a timely basis.

C. Unpaid Invoices:

- 1) If invoices have not been paid within sixty days from date of shipment, send an Itemized statement to Vendor Audit Department, K mart Corporation, 3100 West Big Beaver Road, Troy, Michigan 48064.
- 2) Itemized statement must list invoice date, invoice number, receiving store number, invoice amount and nine-digit K mart Purchase Order Number. Enclose duplicate copies of invoices over ninety days old.
- 3) If invoices have not been paid within five months from date of shipment and duplicate invoices have not been sent to K mart as indicated above, invoices will not be paid until proof of delivery is produced.